



Nelson Mullins Riley & Scarborough LLP

Attorneys and Counselors at Law

100 North Tryon Street / 24th Floor / Charlotte, North Carolina 28202-4000

Tel 704 417 3000 Fax 704 377 4814

www.nelsonmullins.com

RECEIVED

2004 JUL -2 AM 9:45

T.R.A. DOCKET ROOM

James H. Jeffries IV

Partner

Direct Dial 704 417 3103

Direct Fax 704 417 3014

Jim.Jeffries@nelsonmullins.com

July 1, 2004

VIA FEDERAL EXPRESS

The Honorable Deborah Taylor Tate
Chairman
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

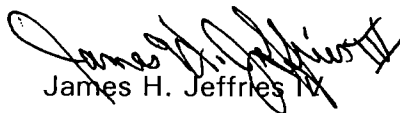
Re: Nashville Gas Company, a Division of Piedmont Natural Gas Company, Inc. --
Docket No. 04-00174

Dear Chairman Tate:

I have enclosed an original and 14 copies of Nashville Gas Company's response to the TRA Staff's First Data Requests in the above-captioned docket. Please accept the original and 13 copies for filing and return one "filed-stamped" copy to me in the enclosed envelope.

Thank you for your assistance with this matter. If you have any questions regarding these responses you may reach me at the number shown above.

Sincerely,



James H. Jeffries IV

JHJ/srl

c: Mr. Dale Grimes
Mr. David Carpenter

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 1: To support assertions that the Visteon plant made when the original contract was approved, provide the number of employees at the plant by year for January, 2000, through May, 2004. In addition, provide information that will support the reduced rates for the plant, such as, employee retention, production levels, or other indicators to show the reduced rates have been in the public interest. Also, provide the percentage of total production cost that gas cost represents for the same time periods.

Response:

Time Period	Employees	Retention	Production (see Note 1.)
CY2000	1390	73%	506,163,000
CY2001	1014	73%	259,542,000
CY2002	987	97%	306,287,000
CY2003	934	95%	287,617,000
CY2004 YTD	927	99%	117,005,000

Notes:

1. Production numbers are in gross square feet of glass produced, i.e., NOT final yield.
2. Natural gas represents 18-22% of the total production costs, excluding labor.

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 2: Provide annual gas volumes, by month, used by Visteon at this plant during January 2000 through May 2004.

Response:

Month / Year	Dekatherms	Month / Year	Dekatherms
Jan-00	275,397	Jan-01	266,836
Feb-00	254,142	Feb-01	228,057
Mar-00	260,599	Mar-01	243,000
Apr-00	247,345	Apr-01	223,322
May-00	243,457	May-01	232,910
Jun-00	221,098	Jun-01	220,471
Jul-00	208,809	Jul-01	212,959
Aug-00	236,153	Aug-01	222,602
Sep-00	232,294	Sep-01	177,029
Oct-00	247,281	Oct-01	137,088
Nov-00	246,537	Nov-01	139,928
Dec-00	250,870	Dec-01	145,451
Jan-02	157,456	Jan-03	173,986
Feb-02	141,868	Feb-03	148,352
Mar-02	149,401	Mar-03	149,439
Apr-02	131,140	Apr-03	131,577
May-02	128,651	May-03	139,535
Jun-02	119,935	Jun-03	132,201
Jul-02	107,750	Jul-03	116,610
Aug-02	118,998	Aug-03	125,777
Sep-02	119,538	Sep-03	124,210
Oct-02	131,322	Oct-03	139,244
Nov-02	142,053	Nov-03	139,742
Dec-02	123,077	Dec-03	151,337
Jan-04	156,028		
Feb-04	137,199		
Mar-04	134,038		
Apr-04	125,240		
May-04	121,569		

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas
Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 3. Provide the annual gas volumes, by month, Visteon projects until the end
of the agreement.

Response:

Jul-04	116,497 5		
Aug-04	126,756 5		
Sep-04	124,330 0		
Oct-04	142,170 0		
Nov-04	146,936 0	Jul-06	116,497 5
Dec-04	150,027 0	Aug-06	126,756 5
Jan-05	171,653 0	Sep-06	124,330 0
Feb-05	149,966 0	Oct-06	142,170 0
Mar-05	152,049 0	Nov-06	146,936 0
Apr-05	133,756 0	Dec-06	150,027 0
May-05	154,333 0	Jan-07	171,653 0
Jun-05	130,256 0	Feb-07	149,966 0
	1,698,730 0	Mar-07	152,049 0
Jul-05	116,497 5	Apr-07	133,756 0
Aug-05	126,756 5	May-07	154,333 0
Sep-05	124,330 0	Jun-07	130,256 0
Oct-05	142,170 0		1,698,730 0
Nov-05	146,936 0	Jul-07	116,497 5
Dec-05	150,027 0	Aug-07	126,756 5
Jan-06	171,653 0	Sep-07	124,330 0
Feb-06	149,966 0	Oct-07	142,170 0
Mar-06	152,049 0	Nov-07	146,936 0
Apr-06	133,756 0	Dec-07	150,027 0
May-06	154,333 0	Jan-08	171,653 0
Jun-06	130,256 0	Feb-08	149,966 0
	1,698,730 0	Mar-08	152,049 0
			1,280,385 0

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 4: Will Nashville Gas provide any capacity for Visteon? If so, at what rate?

Response: Nashville gas will not provide any interstate pipeline capacity for Visteon.

Nashville will provide capacity on its local distribution piping to redeliver gas to Visteon at the rate contained in Article II, Section 2 01:

1. A Reservation Fee of \$44,000 per month and,
2. A Volumetric Charge of \$0.23 per dekatherm for each dekatherm over 183,333 dekatherms redelivered by Piedmont at the Redelivery Point during the month

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 5: If Nashville Gas delivers more gas than is contracted for, will it be under the normal tariff rate for transportation, (i.e., 7F)? Is the service to be provided under firm transportation?

Response:

Per Article I, Section 1.03: Should Customer wish to receive daily redeliveries exceeding 9,000 dt per day, Customer may request such increase from Piedmont, and subject to capacity and operational limitations, Piedmont will attempt to provide such increase in daily deliveries to Customer at mutually agreeable prices to be negotiated between the parties.

Per Article II, Section 1.04: The service provided under this Agreement shall be firm; however, Piedmont shall be entitled to curtail or interrupt service under this Agreement when reasonably necessary to permit Piedmont to maintain, construct, test, rehabilitate, or repair its pipeline or other appurtenant facilities in order to keep such facilities in good and safe operating condition or when required by an event of force majeure, or when required under the applicable rules of the Tennessee Regulatory Authority (TRA) or other governmental agency that has jurisdiction over Piedmont's facilities or the service provided under this a Agreement.

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas

Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No 1

Question 6: Provide the rate that Visteon pays to gas utilities for the local distribution service at each of its plants by month for the 12 months ended December 31, 2003.

Response:

Local Distribution Company	Account Number	Time Period	Rate (\$/Mate)
Consumers Energy			
Macomb	0418999768009	2003, Jan-Feb	0 6431
		2003, Mar-Nov	0.5891
		2003, Dec	0.5967
Sheldon Road	1918026260010	2003, Jan-Feb	0.4016
		2003, Mar-Nov	0.5891
		2003, Dec	0.4067
Sterling Assembly	0418009017017	2003, Jan-Feb	0.4633
		2003, Mar-Nov	0.3148
		2003, Dec	0 31862
Sterling Boiler	0418009018015	2003, Jan-Feb	0.2367
		2003, Mar-Nov	0.3148
		2003, Dec	0.3180
Utica	0418998955011	2003, Jan-Feb	0.4633
		2003, Mar-Nov	0 5891
		2003, Dec	0.59669
Utica Trim Boiler	0418998955011	2003, Jan-Feb	0.4016
		2003, Mar-Nov	0.5891
		2003, Dec	0.59669
Utica Trim Incntr	0418994990012	2003, Jan-Feb	0.4016
		2003, Mar-Nov	0.5891
		2003, Dec	0.59669
DTE MichCon			
Aggregated	18015-8	CY 2003	0.433
Account I	18471-9	CY 2003	0 324
Aggregated			
Account II			
Aquila, Michigan			

Monroe	0206718705	2003, Jan	0.3050
		2003 Feb	0.2695
		2003 Mar	0.3711
		2003 Apr-Jul	0.2763
		2003 Aug	0.4408
		2003 Sep	0.4374
		2003 Oct	0.3770
		2003 Nov	0.4950
		2003 Dec	0.4263
Local Distribution Company	Account Number	Time Period	Rate (\$/MMBtu)
SEMCO			
Chesterfield	131G45260900004	2003 Jan	0.6776
		2003 Feb	0.7619
		2003 Mar	0.6776
		2003 Apr	0.6564
		2003 May	0.8034
		2003 Jun	1.0739
		2003 Jul	1.5104
		2003 Aug	1.2569
		2003 Oct	0.7643
		2003 Nov	0.8387
		2003 Dec	0.8101
Columbia Gas of Ohio			
Sandusky	000166530000009	2003 Jan	0.2482
		2003 Feb	0.2477
		2003 Mar	0.2970
		2003 Apr	0.2539
		2003 May	0.3437
		2003 Jun	0.4286
		2003 Jul	0.5231
		2003 Aug	1.3285
		2003 Oct	1.3283
		2003 Nov	1.3279
		2003 Dec	1.3278
Citizens Gas, Indiana			
Indianapolis	460577372520	2003 Jan	0.5431
		2003 Feb	0.4385
		2003 Mar	0.4458
		2003 Apr	0.6119
		2003 May	0.9131
		2003 Jun	2.8800
		2003 Jul-Oct	0.392
		2003 Nov	0.482
		2003 Dec	0.392

Oklahoma Natural
Gas

Tulsa Glass

1112569860011

2003 Jan-Dec

0.14

Nashville Gas Company

Docket No. 04-00174


Petition of Nashville Gas Company for approval of extension of negotiated Gas
Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 7: Provide all correspondence between Visteon and Piedmont Natural Gas
Company related to this special contract.

Response:

Emails are attached. Due to the discovery that the expiration of the current contract was
imminent, emails and a facsimile of the contract were the only written correspondence
utilized (see attachments).



Phil Williams
04/20/2004 09 09 AM

To pstack@visteon.com
cc

Subject Nashville Gas

Phil Williams
Manager Major Account Services
704 731-4296



Phil Williams
04/20/2004 10 00 AM

To pstack@visteon.com
cc Kirby Lane/NGC/PNG@PNG

Subject Nashville Gas rates

I have attached a spreadsheet with rates calculated as currently approved by the Tennessee Regulatory Authority Also, I have attached a link to the "rates page"

I look forward to working with you and hope to meet you soon

[http //www nashvillegas com/rates/rateInformation?section=ind](http://www.nashvillegas.com/rates/rateInformation?section=ind)



Visteon - Nashville Gas rate calcs x

TO 4/20/04 EMALC

Visteon Rate Comparison 371 - 372

Current cost under Gas Redelivery Agreement:

\$44,000 / month X 12 months X 6 16% franchise tax =

\$560,525

(annual)

[illegible]

INTERRUPTIBLE TRANSPORTATION (published rate)					
	Rate	372	Dts	Demand	
Customer Charge		\$300			Total
First 1500		\$0 9985		5,610 6	\$44,456 36
Next 2500		\$0 9086	134,038	5,610 6	\$45,383 88
Next 5000		\$0 6494	137,199	5,610 6	\$50,908 80
Over 9000		\$0 2764	156,028	5,610 6	\$49,532 34
Demand		\$0 0000	151,337	5,610 6	\$46,130 06
			139,742	5,610 6	\$45,983 94
			139,244	5,610 6	\$41,572 57
			124,210	5,610 6	\$42,032 37
			Sep-03	5,610 6	\$39,342 53
			Aug-03	5,610 6	\$2,282 87
			Jul-03	5,610 6	\$2,548 33
			Jun-03	5,610 6	\$2,673 20
			May-03	5,610 6	\$2,537 71
			Apr-03	5,610 6	\$43,734 24
					\$539,063 76

EXCEL FILE - CONTINUED FROM 4/20/04 EMAIL

Visteon
Account #

Nashville , TN
8001110404001

sorted by peak daily consumption over the last year

Date	Burned (DT's)	
01/06/04	5,610.6	Demand determinant 5,610.6 dekatherms (peak daily consumption)
01/07/04	5,570.4	
01/20/04	5,535.6	
01/08/04	5,492.9	
12/17/03	5,466.9	
02/03/04	5,465.7	
01/30/04	5,462.0	
12/18/03	5,449.2	
12/19/03	5,438.8	
01/27/04	5,429.7	
01/21/04	5,427.5	
01/28/04	5,415.1	
01/22/04	5,412.9	
01/09/04	5,412.1	
12/20/03	5,401.6	
12/02/03	5,381.3	
12/01/03	5,371.0	
01/19/04	5,348.8	
02/26/04	5,335.3	
01/13/04	5,327.1	
01/12/04	5,310.5	
02/04/04	5,270.4	
12/11/03	5,257.0	
11/25/03	5,256.2	
12/03/03	5,256.2	
12/04/03	5,241.8	
01/31/04	5,240.4	
01/15/04	5,221.4	
01/14/04	5,208.1	
12/21/03	5,203.1	
01/23/04	5,200.4	
01/05/04	5,199.8	
12/10/03	5,197.2	
04/09/03	5,191.0	
02/16/04	5,182.7	
12/12/03	5,174.4	
01/11/04	5,161.4	
11/24/03	5,157.6	
01/29/04	5,155.5	
12/14/03	5,152.2	
11/29/03	5,147.3	
03/09/04	5,145.3	
12/16/03	5,117.0	
02/25/04	5,093.6	
12/07/03	5,087.0	

01/10/04	5,064.0
12/15/03	5,052 9
04/10/03	5,050 6
12/13/03	5,048 7
11/28/03	5,043 4
11/30/03	5,036 7
02/18/04	5,012 0
11/13/03	5,011 2
12/06/03	5,006 4
10/27/03	5,000 7
02/02/04	4,986 6
12/05/03	4,972 7
02/27/04	4,972 7
04/13/04	4,963 9
10/28/03	4,945 3
02/24/04	4,914 5
04/08/03	4,914 4
10/15/03	4,895.3
02/15/04	4,882.8
06/05/03	4,879 7
11/06/03	4,874 1
02/17/04	4,852 8
03/08/04	4,842 7
11/19/03	4,836 9
03/31/04	4,834 4
02/01/04	4,833 3
06/09/03	4,827 2
11/20/03	4,826 9
11/14/03	4,826 0
12/08/03	4,817 4
02/23/04	4,813 7
01/26/04	4,810 7
06/12/03	4,810 1
10/01/03	4,807 1
01/16/04	4,795 1
11/09/03	4,791 0
10/26/03	4,787 9
11/07/03	4,787 9
03/10/04	4,781 2
10/16/03	4,769 9
04/06/03	4,763 2
06/10/03	4,762 3
11/08/03	4,748 8
11/15/03	4,741 6
10/17/03	4,732 4
05/21/03	4,730 8
09/30/03	4,723 5
06/08/03	4,721 2
03/03/04	4,718 0
01/24/04	4,710 0
04/01/04	4,702 6
10/18/03	4,702 1

09/29/03	4,701 4
12/09/03	4,698 1
10/29/03	4,697 0
02/05/04	4,690 6
02/09/04	4,676 2
04/01/03	4,664.6
10/20/03	4,664.6
06/06/03	4,659 6
06/07/03	4,657 1
05/12/03	4,655 8
05/20/03	4,654 1
06/11/03	4,652 3
01/18/04	4,644 4
10/19/03	4,644 1
05/22/03	4,635 4
06/02/03	4,631 2
06/13/03	4,625 3
03/30/04	4,624 4
04/14/04	4,624 4
10/22/03	4,619 8
02/19/04	4,618 9
04/02/03	4,618.2
05/27/03	4,617.0
12/22/03	4,616 4
11/16/03	4,614 0
05/26/03	4,612.9
05/13/03	4,606 1
05/28/03	4,602 5
10/23/03	4,601 0
04/07/03	4,600 7
06/04/03	4,591 6
11/12/03	4,589 0
10/21/03	4,586 6
05/15/03	4,582 4
05/14/03	4,580 9
03/02/04	4,572 2
05/29/03	4,571 4
05/19/03	4,571 1
11/03/03	4,570 5
01/25/04	4,569 7
03/01/04	4,564 0
05/08/03	4,558 9
05/07/03	4,557 3
10/02/03	4,555 5
05/25/03	4,554 7
06/03/03	4,554.5
03/22/04	4,552 3
11/18/03	4,544 4
06/16/03	4,542 3
01/04/04	4,541 6
06/01/03	4,537 9
05/02/03	4,525 7

03/12/04	4,523 2
10/25/03	4,522 6
02/22/04	4,521 1
03/29/04	4,516 3
06/17/03	4,512 3
04/03/03	4,511 4
05/05/03	4,504 9
09/15/03	4,495 4
03/11/04	4,488 5
05/06/03	4,471 5
10/24/03	4,469 5
05/11/03	4,469 3
11/05/03	4,469 0
05/03/03	4,465 6
11/10/03	4,459 7
10/30/03	4,459 0
02/12/04	4,457 1
06/23/03	4,455 6
05/23/03	4,455 1
06/19/03	4,453 6
05/18/03	4,452 7
10/14/03	4,451.0
04/24/03	4,450 2
03/04/04	4,449 0
09/16/03	4,448 4
07/16/03	4,446 4
04/05/04	4,444 0
04/11/03	4,443 8
07/17/03	4,442 2
11/26/03	4,440 5
06/18/03	4,439 1
02/20/04	4,439 1
07/23/03	4,438 1
08/11/03	4,434 6
05/04/03	4,434.5
05/30/03	4,434 2
10/03/03	4,432 3
04/15/04	4,431 7
03/16/04	4,430 9
08/07/03	4,430 5
11/17/03	4,429 2
06/20/03	4,424 2
07/24/03	4,423 5
04/04/03	4,420 9
12/24/03	4,419 6
11/02/03	4,416 3
05/09/03	4,415 4
04/22/03	4,413 1
04/23/03	4,408 8
04/02/04	4,408 8
05/16/03	4,406 9
12/25/03	4,398 8

10/06/03	4,397 8
11/23/03	4,397 4
12/26/03	4,390.3
06/15/03	4,382 7
08/06/03	4,377 1
05/01/03	4,374 1
11/21/03	4,373 0
07/22/03	4,371 8
08/12/03	4,366 8
07/21/03	4,363.6
04/05/03	4,363.2
06/22/03	4,357.6
09/28/03	4,357.0
03/17/04	4,354 7
06/14/03	4,340 9
04/13/03	4,336 7
03/15/04	4,336 2
08/08/03	4,336 0
04/27/03	4,330 5
09/22/03	4,330.4
09/25/03	4,330 3
09/23/03	4,324.1
02/21/04	4,323 9
08/10/03	4,323 7
06/21/03	4,322 2
10/31/03	4,316 2
07/18/03	4,313 9
11/04/03	4,313 5
05/17/03	4,311 8
11/01/03	4,311 4
09/17/03	4,309 7
09/18/03	4,307 5
04/14/03	4,303 5
05/10/03	4,303 5
03/07/04	4,303 1
11/11/03	4,299.1
07/20/03	4,289.0
08/13/03	4,286 7
04/25/03	4,276 6
04/29/03	4,276 6
07/19/03	4,276 6
01/17/04	4,270 4
09/24/03	4,268 4
02/28/04	4,268.3
04/06/04	4,266 3
03/23/04	4,260 0
04/26/03	4,258 0
02/13/04	4,251 8
04/12/04	4,247 6
04/30/03	4,245.0
11/27/03	4,241 5
10/05/03	4,235 4

03/18/04	4,235 4
07/25/03	4,233 2
08/21/03	4,231 2
04/28/03	4,231 0
12/27/03	4,220 7
10/13/03	4,214.8
04/04/04	4,214 7
04/07/04	4,214 6
08/09/03	4,212 8
02/11/04	4,212 7
09/19/03	4,210 6
05/24/03	4,210 1
12/30/03	4,208 2
05/31/03	4,208 0
04/12/03	4,206 4
08/14/03	4,198 4
06/24/03	4,193 0
12/23/03	4,191 4
10/07/03	4,188 1
11/22/03	4,188 1
12/31/03	4,184 9
08/04/03	4,173.7
10/08/03	4,165 4
09/21/03	4,164 8
06/26/03	4,161.9
03/14/04	4,161 3
10/12/03	4,159 3
03/13/04	4,156 9
08/20/03	4,151 1
07/31/03	4,150 1
07/15/03	4,144 3
02/29/04	4,142 3
04/16/03	4,140 5
09/27/03	4,140 5
06/27/03	4,139 0
03/21/04	4,138 6
08/18/03	4,132 7
03/19/04	4,132 6
09/26/03	4,132 2
06/25/03	4,130 7
03/05/04	4,124 5
08/05/03	4,124 4
10/09/03	4,120 1
04/21/03	4,117 4
07/14/03	4,117 4
09/20/03	4,117 2
09/09/03	4,111 6
08/22/03	4,110 1
04/15/03	4,109 3
07/28/03	4,100 7
09/04/03	4,099 5
09/08/03	4,095 1

10/10/03	4,089 4
07/30/03	4,088 3
08/19/03	4,085 5
08/26/03	4,085 3
09/03/03	4,085.1
08/25/03	4,083 2
03/24/04	4,073 4
08/15/03	4,071 2
09/11/03	4,068 8
09/10/03	4,060 6
04/17/03	4,060 0
03/25/04	4,058 2
09/14/03	4,057 2
07/29/03	4,051 0
08/27/03	4,040.0
10/04/03	4,020 9
04/18/03	4,018 0
09/02/03	4,000 8
12/29/03	3,996 9
10/11/03	3,992 5
08/03/03	3,988 6
08/17/03	3,978 6
09/07/03	3,976 0
08/01/03	3,975 0
08/24/03	3,970 4
09/12/03	3,965 8
08/02/03	3,963 7
04/19/03	3,952 3
09/05/03	3,941 3
07/27/03	3,939 5
08/16/03	3,936.0
12/28/03	3,918 5
08/23/03	3,908 8
07/26/03	3,906 5
04/03/04	3,906 1
03/06/04	3,905 3
04/08/04	3,904 0
08/29/03	3,902 3
04/20/03	3,900 6
01/01/04	3,897 8
01/03/04	3,870 9
06/28/03	3,865 8
03/26/04	3,856 3
03/28/04	3,824 6
08/28/03	3,815 9
09/13/03	3,809 8
09/06/03	3,791 4
01/02/04	3,711 5
04/11/04	3,653 6
02/14/04	3,627 1
04/09/04	3,581 8
07/09/03	3,568 0

03/20/04	3,566 5
04/10/04	3,555 6
03/27/04	3,507 5
07/13/03	3,435 4
06/29/03	3,401 1
07/01/03	3,216 6
08/30/03	3,196 0
07/02/03	3,173 0
07/03/03	3,170 1
06/30/03	3,168.6
07/05/03	3,155 4
07/08/03	3,155 4
07/04/03	3,151 4
07/07/03	3,131 7
07/06/03	3,128 7
07/10/03	3,012 7
08/31/03	2,886 4
09/01/03	2,785 9
07/12/03	2,691 5
07/11/03	2,524 1
02/10/04	1,768 8
02/06/04	882 5
02/08/04	64 0
02/07/04	12 4
04/16/04	
04/17/04	
04/18/04	
04/19/04	



"Stack, Paul (P D)" <pstack@visteon.com> on 05/04/2004 09:24 28 AM

To "Phil Williams@piedmontng.com" <Phil Williams@piedmontng.com>
cc

Subject RE Conference Call, Visteon, Transport Contract

Here ya go

Dial-In: 866.277.5120
Pass Code: 464974

Paul D. Stack
pstack@visteon.com
Visteon Global Engineering
734.416 2587

-----Original Message-----

From: Phil Williams@piedmontng.com [mailto:Phil.Williams@piedmontng.com]
Sent: Tuesday, May 04, 2004 9 06 AM
To: Stack, Paul (P.D)
Subject: Re: Conference Call, Visteon, Transport Contract

I will not be available the remainder of this week after Noon today I will be at the annual meeting of the South Carolina Energy Users Committee. Next week, I am currently available any time except the following.

Not available: Monday morning (5/10) from 8 AM until approximately 10 AM, and Tuesday (5/11) from 10:30 AM until approximately 2 PM

If possible, please respond by 10 AM as I need to schedule a customer visit next week that will take the majority of a day for travel. I will try to wait and hear from you prior to calling this customer for next week's appointment.

"Stack, Paul (P D)" <pstack@visteon.com> on 05/04/2004 08.50.39 AM

To: "Phil Williams (E-mail)" <phil.williams@piedmontng.com>
cc: "Lammie, Jim (J.P.)" <jlammie@visteon.com>, "Wurapa-Romain, Esi (E.)" <ewurapa@visteon.com>, "Frank J. Monteleone Jr (E-mail)" <monteleonef@fes.com>

Subject: Conference Call, Visteon, Transport Contract

Hello Phil.

I would like to follow up our recent conversation with a conference call to

brainstorm some of the options available to Visteon beyond the term of our current contract with Piedmont

Our team is available on Friday morning, 07 May 2004. Please let me know asap whether this will work for your schedule.

Thanks

Paul D Stack
pstack@visteon.com
Visteon Global Engineering
734 416.2587



Piedmont
Natural Gas
Company

P O Box 33068
Charlotte, NC 28233

FACSIMILE TRANSACTION FORM

DATE: May 10, 2004

TO: Paul Stack,

LOCATION: Visteon

FAX NUMBER: (734) 416-6903 **VOICE NUMBER:** (734) 416-2587

FROM: Phil Williams, Manager Major Account Services

FAX NUMBER: (704) 364-8320 **VOICE NUMBER:** (704) 731 4296

MESSAGE: I have attached the TRA order approving the current Gas Redelivery Agreement.

Thanks for your time this afternoon, and we look forward to continued discussions.

Cc: Frank Monteleone, E group

This document consists of 7 pages including this cover sheet.

Order Approving Agreement

With

Ford (Visteon)

Docket No. 01-00530

WFS
TES
DSD
CWF
DFH
Rates
DRC ✓

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT
NASHVILLE, TENNESSEE**

November 28, 2001

IN RE:

APPLICATION OF NASHVILLE GAS COMPANY, A
DIVISION OF PIEDMONT NATURAL GAS COMPANY,
FOR APPROVAL OF A NEGOTIATED GAS
REDELIVERY AGREEMENT WITH VISTEON
CORPORATION

DOCKET NO.
01-00530

ORDER APPROVING NEGOTIATED GAS REDELIVERY AGREEMENT

This matter came before the Tennessee Regulatory Authority (the "Authority") at a regularly scheduled Authority Conference held on August 21, 2001, upon the Application (the "Application") of Nashville Gas Company ("Nashville Gas" or the "Company") for Approval of a Negotiated Gas Redelivery Agreement (the "Agreement") with Visteon Corporation ("Visteon").

Nashville Gas's Application

Nashville Gas filed its Application on June 18, 2001. The Application states that the Tennessee Public Service Commission ("TPSC"), by Order dated April 23, 1993 in TPSC Docket No. 90-07401, approved an agreement by which Nashville Gas would transport natural gas to the Ford Motor Company ("Ford") at Ford's Nashville, Tennessee manufacturing plant.¹ That agreement had a five-year term, providing for transportation services to begin on March 1, 1993 and terminate on February 28, 1998.

¹ See Order, Tennessee Public Service Commission Docket No. 90-07401 (April 23, 1993).

The Application further states that by Order dated March 12, 1998, in Docket No. 98-00128, the Authority approved an extension of the original agreement from March 1, 1998 through October 31, 2000. The Application notes that in its March 12, 1998 Order, the Authority stated that the transportation agreement was appropriate to retain Ford as a customer, "considering the natural gas usage by the Ford plant and its close proximity to an interstate pipeline."

In addition, the Application states that on September 8, 2000, Piedmont filed a request for approval of an amendment to the original agreement to assign the agreement to Visteon, which is a wholly-owned subsidiary of Ford, and to extend its term until March 31, 2001, and on a month-to-month basis thereafter. On January 24, 2001, the Authority approved the amendment on the condition that any continuation of the Agreement on a month-to-month basis after its scheduled expiration not extend beyond June 30, 2001.²

The Application states that on May 15, 2001, Nashville Gas and Visteon executed the Agreement which is the subject of the Application. The Agreement is a new long-term "Gas Redelivery Agreement" which revises the original agreement and extends its term until July 1, 2004. According to the Application, the Agreement contains revisions of the original agreement that provide for a slightly lower reservation fee, but the amount of gas included within the reservation fee is also reduced with the result that the per unit cost is virtually identical. Further, the volumetric charge for gas taken over the amount of gas included in the reservation fee remains the same. The Application concludes that as a result, the total amount paid by Visteon for gas under the Agreement is not expected to be different from the amount that is currently being paid under the original agreement. The

² See *Order Approving Amendment to Gas Redelivery Agreement*, Docket No. 00-00824 (January 24, 2001)

Application also states that the amount of revenue expected to be generated from the Agreement is also the same as included in the Company's most recent general rate case and, therefore, approval of the Agreement would not affect the Company's earnings or its return on investment.

In support of its request for Authority approval of the Agreement, the Company cites the reasons for approval of the extension of the original agreement stated in the Authority's Order of March 12, 1999, which are as follows:

a. Ford has notified Nashville Gas Company that it must reduce its delivered natural gas costs in order to keep its Nashville facility competitive with other gas operations. If Ford were to reduce its operations in Nashville, it could result in layoffs. Any such action would adversely affect the Nashville economy and tax base.

b. Ford has already significantly reduced its gas consumption and has indicated that it may have to make further reductions if the delivered cost of gas does not become more competitive. If this were to occur, the fixed cost currently being realized from Ford would be shifted to other Nashville Gas Company customers.

c. Ford has advised Nashville Gas Company that if its rates are not reduced to a competitive level, Ford may be forced to seek permanent alternative sources of gas supplies, including direct service from an interstate pipeline. If this were to occur, the shift in costs referred to in the foregoing paragraph would be permanent.³

The Application states that "[t]hese same conditions exist today."⁴

Findings and Conclusions

The new long-term, revised Agreement is nearly identical to the agreement between the Company and Ford originally approved by the TPSC and extended by approval of the Authority. Slight changes to the rate structure may result in minor differences in the amount paid by Visteon, but the overall effect of such changes on the Company's revenue

³ See *Order Approving the Negotiated Gas Redelivery Agreement*, Docket No. 98-00128 (March 12, 1999), pp. 2-3.

⁴ Application, Docket No. 01-00530, June 18, 2001.

from Visteon appears to be minimal. The Revised Agreement provides that any resulting margin loss will be shared with the Company's other ratepayers on a ninety percent-ten percent (90% - 10%) basis, with ten percent (10%) of such loss to be borne by the Company. This represents a change from the original agreement, as extended by the Authority's March 12, 1999 Order in Docket No. 98-00128, under which one hundred percent (100%) of any margin loss was to be borne by the Company's other ratepayers. Approval of a sharing of margin loss on the proposed basis is consistent with past Authority actions with respect to other special contracts.⁵

The Application and responses to data requests from the Authority Staff indicate that the conditions supporting approval of the Agreement in the Authority's Orders of March 12, 1999 and January 24, 2001 are still present. The record indicates that the circumstances surrounding the Agreement continue to support a finding that bypass by Visteon is feasible and therefore that a special contract between the Company and Visteon is appropriate.⁶ Information supplied by the Company shows that Visteon's gas costs have increased as a percentage of its total costs over the last several years, which indicates even greater economic pressure on Visteon and thus an ever-present threat of bypass.⁷ Thus, the

⁵ See *Initial Order of the Hearing Officer*, Docket Nos 98-00338 and 98-00339 (July 6, 1999)

⁶ In *In re Petition of Chattanooga Gas Company for Approval of Large Customer Contract Under Experimental Rule with Archer Daniels Midland Co.*, Docket No 97-00262, the Authority applied four (4) criteria for approval of a discounted long-term gas transportation service contract for the purpose of avoiding system bypass. The Authority derived these criteria from an Experimental Rule approved for Chattanooga Gas Company, pursuant to which "the Authority must find that: customer bypass is imminent; such bypass would be uneconomic; the contract rates and terms are not unduly preferential or unduly discriminatory, and that the contract rates are the highest that could be negotiated." *Order Disapproving Special Contract Under the Large Customer Contracts Tariff*, Docket No. 97-00262 (March 17, 1998), p 5.

⁷ See Company Response to Data Request 1, July 17, 2001, p. 2. The Company has stated that operations at Visteon's "Nashville Gas Plant are presently being studied by Glass and Visteon management. No conclusions to that study have been reached and none are expected until at least the end of this year." *Id*, p 5. These remarks further indicate that extension of the Company's contract with Visteon is appropriate at this time, given the uncertain future of Visteon's Nashville plant.


rationale for approval stated in the Authority's March 12, 1999 Order in Docket No. 98-00128 continues to apply.


Upon careful consideration of the Application and of the entire record in this matter, the Directors voted unanimously to approve the Application.

IT IS THEREFORE ORDERED THAT:

1. The Application of Nashville Gas Company for approval of a Gas Redelivery Agreement with Visteon Corporation is approved; and
2. Any party aggrieved with the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from the date of this Order.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary



Phil Williams
05/24/2004 10 58 AM

To pstack@visteon.com
cc George Baldwin/GS/PNG@PNG

Subject Piedmont / Visteon proposed amendment

Based on our conversations last week, Piedmont has prepared an amendment to extend the term of our existing agreement to provide natural gas services to the Nashville Plant. In the interest of time, I am submitting this amendment via email.

If the proposed amendment meets your approval, please print two copies for execution with original signatures by an authorized employee and return them to my attention. I will have the amendments executed by an authorized Piedmont employee and return one copy with original signatures for your records. In addition, I will take steps to have the amendment filed with the Tennessee Regulatory Authority.

Should you have questions, suggestions, or concerns with the proposed amendment, please let me know as soon as possible.

Thanks, and I look forward to hearing from you soon.

Phil Williams
Manager Major Account Services
(704) 731 4296

Address for US Postal Service PO Box 33068, Charlotte, NC 28233

Address for UPS, FedEx, etc. 1915 Rexford Road, Charlotte, NC 28211

Please note that the US Postal Service only provides deliveries to the PO box.



Visteon amendment 052404.d

WORD FILE ATTACHED TO 5/24/04 EMAIL

**FIRST AMENDMENT TO GAS REDELIVERY AGREEMENT
DATED MAY 15, 2001 BY AND BETWEEN
PIEDMONT NATURAL GAS COMPANY, INC. AND VISTEON CORPORATION**

This First Amendment to Gas Redelivery Agreement ("Amendment") is made and entered into this _____, day of May, 2004, by and between Piedmont Natural Gas Company, Inc. ("Piedmont") and Visteon Corporation ("Customer").

WITNESSETH

WHEREAS, Piedmont Natural Gas Company, Inc. ("Piedmont") and Visteon Corporation ("Visteon") are parties to that certain Gas Redelivery Agreement dated May 15, 2001 ("Agreement"); and

WHEREAS, Piedmont and Visteon desire to amend and modify the terms of that Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and in the Agreement, Piedmont and Visteon hereby agree as follows:

1. Section 3.01 of the Agreement is amended to read as follows:

"Section 3.01 Subject to the terms and conditions herein, this Agreement shall become effective June 1, 2001 or the first day of the month following approval of this Agreement by the TRA and unless extended or terminated by provisions contained herein, shall continue in effect until April 1, 2008."

2. Section 3.02 of the Agreement is amended to read as follows:

"Section 3.02 Unless on or before September 30, 2007, either party shall have provided written notice to the other party of its intent to terminate this Agreement, the parties agree to commence negotiations in good faith toward mutually agreeable terms and conditions for an extension of this Agreement."

3. All other provisions of the Agreement shall remain in effect without modification and shall be fully enforceable in accordance with their terms, for the extended Term of Agreement provided for herein.

4. The term modification set forth in paragraph 1 hereof shall be contingent upon Piedmont and Customer receiving all necessary regulatory or other approvals from the Tennessee Regulatory Authority, or other authority having jurisdiction, upon terms satisfactory to Piedmont and Customer.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized representatives on the date(s) written below.

VISTEON CORPORATION

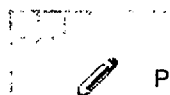
By: _____

Date: _____

PIEDMONT NATURAL GAS COMPANY, INC.

By: _____

Date: _____



Phil Williams
05/26/2004 09 13 AM

To pstack@visteon.com
cc George Baldwin/GS/PNG@PNG

Subject Re US TN Nat Gas Nashville Piedmont NG Contract Amend

I have attached a second agreement for your consideration incorporating the changes you suggested. Our legal counsel will draft the transmittal letter that will accompany the agreement when filed with the TRA. I expect to receive this soon, and I will forward it to you for review.

Thanks again for your input. I look forward to hearing from you soon.



First Amdmnt to Visteon K 052604 d

----- Forwarded by Phil Williams/GS/PNG on 05/26/2004 09 07 AM -----



Phil Williams
05/25/2004 09 34 PM

To "Stack, Paul (P D)" <pstack@visteon.com>
cc George Baldwin/GS/PNG@PNG

Subject Re. US TN Nat Gas Nashville Piedmont NG Contract Amend 

Thanks for the information. I have the following comments, consistent with your numbering system:

- 1) I totally agree. We will make the changes to be consistent.
- 2A) Correct
- 2B) Correct
- 2C) That's the desired result by both parties. Most likely, we will need your help in responding to data requests from the TRA staff.
- 2D) Correct - assuming approval by TRA as submitted.

As related to your request to review the filing prior to submission to the TRA, I will seek a response from appropriate Piedmont representatives, including our legal counsel. My initial impression is that the filing will be rather routine (i.e., specific number of copies attached, filed under confidential seal, asking for review and approval, etc.) I will follow-up with additional information after receiving internal feedback.

I will be out of the office tomorrow, but will try to keep the process moving. Page me if you need me at (704) 514-7753 (after the beep, enter your phone number).

Thanks for the opportunity to provide continued service.

"Stack, Paul (P D)" <pstack@visteon.com> on 05/25/2004 11:26:35 AM



"Stack, Paul (P D)" <pstack@visteon.com> on 05/25/2004 11:26:35 AM

To "Phil Williams (E-mail)" <phil.williams@piedmontng.com>, "Frank J. Monteleone Jr (E-mail)" <monteleonef@fes.com>, "Lammie, Jim (J P)" <jlammie@visteon.com>

cc

Subject US TN Nat Gas Nashville Piedmont NG Contract Amend

Hi, Phil:

Just a couple of document/process comments.

(1) The contract amendment uses both the term "Customer" and the term "Visteon" when referring to Visteon Corporation. We should use a consistent term throughout the document. Either is OK with us.

(2) We understand the process to go as follows: (A) The contract is executed, (B) A filing is prepared by Piedmont for submittal to TRA for approval, (C) TRA approves, and (D) The amendment becomes effective. Visteon requests the opportunity to review the filing prior to its submittal to the TRA.

Please make the change to the amendment document (1) and confirm your agreement with our request (2) and forward the revised document to me for execution.

Thanks, Phil.

Paul D. Stack
pstack@visteon.com
Visteon Global Engineering
734.416.2587

WORD FILE ATTACHED TO 5/26/04 EMAIL

**FIRST AMENDMENT TO GAS REDELIVERY AGREEMENT
DATED MAY 15, 2001 BY AND BETWEEN
PIEDMONT NATURAL GAS COMPANY, INC. AND VISTEON CORPORATION**

This First Amendment to Gas Redelivery Agreement ("Amendment") is made and entered into this _____, day of May, 2004, by and between Piedmont Natural Gas Company, Inc ("Piedmont") and Visteon Corporation ("Customer").

WITNESSETH

WHEREAS, Piedmont and Customer are parties to that certain Gas Redelivery Agreement dated May 15, 2001 ("Agreement"); and

WHEREAS, Piedmont and Customer desire to amend and modify the terms of that Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and in the Agreement, Piedmont and Customer hereby agree as follows.

1. Section 3.01 of the Agreement is amended to read as follows:

"Section 3.01 Subject to the terms and conditions herein, this Agreement shall become effective June 1, 2001 or the first day of the month following approval of this Agreement by the TRA and unless extended or terminated by provisions contained herein, shall continue in effect until April 1, 2008."

2. Section 3.02 of the Agreement is amended to read as follows.

"Section 3.02 Unless on or before September 30, 2007, either party shall have provided written notice to the other party of its intent to terminate this Agreement, the parties agree to commence negotiations in good faith toward mutually agreeable terms and conditions for an extension of this Agreement."

3. All other provisions of the Agreement shall remain in effect without modification and shall be fully enforceable in accordance with their terms, for the extended Term of Agreement provided for herein.

4. The term modification set forth in paragraph 1 hereof shall be contingent upon Piedmont and Customer receiving all necessary regulatory or other approvals from the Tennessee Regulatory Authority, or other authority having jurisdiction, upon terms satisfactory to Piedmont and Customer.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized representatives on the date(s) written below.

VISTEON CORPORATION

By: _____

Date: _____

PIEDMONT NATURAL GAS COMPANY, INC.

By: _____

Date: _____



Phil Williams
05/26/2004 04 46 PM

To pstack@visteon.com
cc George Baldwin/GS/PNG@PNG

Subject Re US TN Nat Gas Nashville Piedmont NG Contract Amend

The draft letter to file with the TRA is attached. Although I do not anticipate or expect changes, Piedmont would like to preserve or right to modify the letter if deemed necessary.



Visteon Letter.doc

----- Forwarded by Phil Williams/GS/PNG on 05/26/2004 04 44 PM -----



Phil Williams
05/26/2004 09 13 AM

To pstack@visteon.com
cc George Baldwin/GS/PNG@PNG

Subject Re US TN Nat Gas Nashville Piedmont NG Contract Amend

I have attached a second agreement for your consideration incorporating the changes you suggested. Our legal counsel will draft the transmittal letter that will accompany the agreement when filed with the TRA. I expect to receive this soon, and I will forward it to you for review.

Thanks again for your input. I look forward to hearing from you soon.



First Amdmnt to Visteon K 052604.d

----- Forwarded by Phil Williams/GS/PNG on 05/26/2004 09 07 AM -----



Phil Williams
05/25/2004 09 34 PM

To "Stack, Paul (P D)" <pstack@visteon.com>
cc George Baldwin/GS/PNG@PNG

Subject Re US TN Nat Gas Nashville Piedmont NG Contract Amend 

Thanks for the information. I have the following comments, consistent with your numbering system:

- 1) I totally agree. We will make the changes to be consistent.
- 2A) Correct
- 2B) Correct
- 2C) That's the desired result by both parties. Most likely, we will need your help in responding to data requests from the TRA staff.
- 2D) Correct - assuming approval by TRA as submitted.

As related to your request to review the filing prior to submission to the TRA, I will seek a response from appropriate Piedmont representatives, including our legal counsel. My initial impression is that the filing will be rather routine (i.e. specific number of copies attached, filed under confidential seal, asking for review and approval, etc.) I will follow-up with additional information after receiving internal feedback.

I will be out of the office tomorrow, but will try to keep the process moving. Page me if you need me at (704) 514-7753 (after the beep, enter your phone number).

Thanks for the opportunity to provide continued service.

"Stack, Paul (P.D.)" <pstack@visteon.com> on 05/25/2004 11:26:35 AM



"Stack, Paul (P.D.)" <pstack@visteon.com> on 05/25/2004 11:26:35 AM

To "Phil Williams (E-mail)" <phil.williams@piedmontng.com>, "Frank J. Monteleone Jr (E-mail)" <monteleonef@fes.com>, "Lammie, Jim (J.P.)" <jlammie@visteon.com>
cc

Subject: US TN Nat Gas Nashville Piedmont NG Contract Amend

Hi, Phil:

Just a couple of document/process comments.

(1) The contract amendment uses both the term "Customer" and the term "Visteon" when referring to Visteon Corporation. We should use a consistent term throughout the document. Either is OK with us.

(2) We understand the process to go as follows: (A) The contract is executed, (B) A filing is prepared by Piedmont for submittal to TRA for approval, (C) TRA approves, and (D) The amendment becomes effective. Visteon requests the opportunity to review the filing prior to its submittal to the TRA.

Please make the change to the amendment document (1) and confirm your agreement with our request (2) and forward the revised document to me for execution.

Thanks, Phil.

Paul D. Stack
pstack@visteon.com
Visteon Global Engineering
734.416.2587

WORD FILE ATTACHED TO (2nd) 5/26/04 EMAIL



Nelson Mullins Riley & Scarborough LLP

Attorneys and Counselors at Law

100 North Tryon Street / 24th Floor / Charlotte, North Carolina 28202-4000

Tel 704 417 3000 Fax 704 377 4814

www.nelsonmullins.com

James H. Jeffries IV

Partner

Direct Dial 704 417 3103

Direct Fax 704 417 3014

Jim.Jeffries@nelsonmullins.com

June 28, 2004

VIA FEDERAL EXPRESS

The Honorable Deborah Taylor Tate
Chairman, Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: Nashville Gas Company Request for Approval of Extension of Negotiated Gas
Redelivery Agreement with Visteon Corporation

Dear Chairman Tate:

By Order issued November 28, 2001 in Docket No. 01-00530, the Tennessee Regulatory Authority approved an extension and minor amendment of a pre-existing Natural Gas Redelivery Agreement between Nashville Gas Company ("Nashville") and Visteon Corporation ("Visteon") related to the provision of natural gas service by Nashville to Visteon at its Nashville manufacturing plant. This extension and amendment were reflected in a written Gas Delivery Agreement between Nashville and Visteon dated May 15, 2001 ("Agreement"). This Agreement is currently slated to expire on July 1, 2004.

The underlying justification for the Authority's prior approval of the existing Agreement between Nashville and Visteon was the potential loss of load (and corresponding loss of contribution to Nashville's costs) that would result if Visteon were to cease receiving natural gas service from Nashville. Nashville has been informed by Visteon that the same economic conditions that prompted the Authority to approve the existing Agreement continue in effect and that, specifically, it is critical for Visteon to keep its gas redelivery costs at the levels set forth in the Agreement in order to ensure that Visteon remains both economically viable and a continuing customer of Nashville's natural gas services.

In light of the pending expiration of the existing Agreement and the ongoing threat that Visteon could be lost as a customer of Nashville, Nashville and Visteon have negotiated an extension of the term of the existing Agreement and have executed a *First Amendment to Gas Redelivery Agreement Dated May 15, 2001 By and Between Piedmont Natural Gas Company, Inc. and Visteon Corporation* ("First Amendment"), a copy of which is attached hereto as Exhibit A. The specific changes to the previously approved Agreement reflected in the First Amendment are as follows.

1. An extension of the effective term of the Agreement until April 1, 2008 in Section 3.01; and

The Honorable Deborah Taylor Tate
June 28, 2004
Page 2

- 2 A modification of the date upon which the parties agree to begin negotiations to renew or extend this contract to September 30, 2007 in Section 3 02

The net effect of these changes will be to continue service to Visteon under the same terms and conditions as are currently in effect. All other provisions of the previously approved Agreement remain unchanged.

The purpose of this filing is to present the revised version of this previously approved Contract to the Authority pursuant to TRA Rule 1220-4-1-.07 and to request that any approval necessary to implement this revised agreement be granted no later than June 30, 2004

I am enclosing an original and fourteen copies of this letter and the attached First Amendment as well as a check in the amount of \$25.00 to cover the required filing fee. Please accept the original and thirteen copies of these documents for filing and return one file-stamped copy to me in the enclosed self-addressed and stamped envelope.

Mr Dale Grimes of the Bass Berry firm will be acting as Nashville's local counsel in this matter

If you have any questions regarding this filing, you may reach me at the number shown above.

Sincerely,

James H. Jeffries IV

srl/JHJ

Enclosure



Phil Williams
06/09/2004 10.00 AM

To pstack@visteon.com
cc

Subject Piedmont / Visteon agreement

Paul,

I have copied and pasted our attorneys comments based on my earlier question to you

I think asking the TRA to review and approve a contract in two weeks is not realistic. In North Carolina it wouldn't be a major problem but it is in Tennessee. In fact, getting the TRA to do it in a month is pushing it. I would suggest that we get the contract signed by Visteon and filed as soon as possible.

In the event I have not provided the appropriate FedEx, UPS, etc address, it is

Phil Williams
Piedmont Natural Gas
1915 Rexford Road
Charlotte, NC 28211

I look forward to hearing from you soon

Phil
(704) 731-4296



**Piedmont
Natural Gas
Company**

P O Box 33068
Charlotte, NC 28233

FACSIMILE TRANSACTION FORM

DATE: June 25, 2004

TO: Paul Stack

LOCATION: Visteon Global Engineering

FAX NUMBER: 734 416 6903 **VOICE NUMBER:** 734 416 2587

FROM: Phil Williams, Manager Major Account Services

FAX NUMBER: (704) 364-8320 **VOICE NUMBER:** (704) 731 4296

MESSAGE: James Jeffries filed the request for approval of the extension of our negotiated gas redelivery agreement on behalf of Piedmont. He received the attached data request.

I have information readily available for questions 2,4,5,7, and 8. Please provide answers for the remaining questions. Please note that the response is required to the TRA no later than July 2, 2004 (one week from today). Therefore, we need your response as soon as possible.

Thanks, and please call me if I can provide assistance.

This document consists of 3 pages including this cover sheet

TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman
Pat Miller, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243 0505

June 18, 2004

Mr. James H. Jeffries IV
Nelson Mullins Riley & Scarborough LLP
100 North Tryon Street, 24th Floor
Charlotte, North Carolina 28202-4000

RE: DOCKET NO. 04-00174 – PETITION OF NASHVILLE GAS COMPANY FOR
APPROVAL OF EXTENSION OF NEGOTIATED GAS REDELIVERY
AGREEMENT WITH VISTEON CORPORATION

Dear Mr. Jeffries:

In order to assist our efforts in conducting an investigation into the petition filed on the behalf of Nashville Gas Corporation, further information is needed. Please respond to the items listed below. Your response must be received by the Authority no later than July 2, 2004.

A total of thirteen copies plus the original are to be supplied to the TRA at the following address:

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Each copy of the responses should be placed in loose-leaf binders with each item tabbed. Each response should begin by restating the item request. If several sheets are required to answer an item, each sheet should be appropriately labeled and indexed, for example, Item 1(a), Sheet 1 of 4.

DATA QUESTIONS

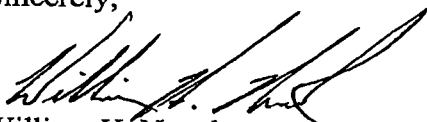
1. To support assertions that the Visteon plant made when the original contract was approved, provide the number of employees at the plant by year for January 2000 through May 2004. In addition, provide information that will support the reduced rates for the plant, such as employee retention, production levels, or other indicators to show the

reduced rates have been in the public interest. Also, provide the percentage of total production cost that gas cost represents for the same time periods

2. Provide annual gas volumes, by month, used by Visteon at this plant during January 2000 through May 2004.
3. Provide the annual gas volumes, by month, Visteon projects until the end of the agreement.
4. Will Nashville Gas provide any capacity for Visteon? If so, at what rate?
5. If Nashville Gas delivers more gas than is contracted for, will it be under the normal tariff rate for transportation, (i.e., 7F)? Is the service to be provided under firm transportation?
6. Provide the rate that Visteon pays to gas utilities for local distribution service at each of its plants by month for the 12 months ended December 31, 2003.
7. Provide all correspondence between Visteon and Piedmont Natural Gas or Nashville Gas Company related to this special contract.
8. Provide an analysis of the gas sales/transportation volumes and associated revenues on gas deliveries to Visteon by meter and by month for the last five years.
9. What supplier or marketer is currently supplying the gas requirements for the Visteon plant in Nashville? Is this gas supplier a Piedmont Natural Gas or Nashville Gas Company affiliate? Has an affiliate of Piedmont Natural Gas or Nashville Gas Company served the Visteon plant in Nashville in the past or contracted to serve their requirements in the future? If yes, is the discounted interstate pipeline capacity purchased through a third party or part of regulated assets managed by the affiliate?

If you have any question regarding this request, you may contact me at (615) 741-2904, Extension 174.

Sincerely,



William H. Novak

Chief

Energy and Water Division

ecp04-54nashvillegasdr0400174



Piedmont
Natural Gas
Company

P O Box 33068
Charlotte, NC 28233

FACSIMILE TRANSACTION FORM

DATE: June 25, 2004

TO: Paul Stack

LOCATION: Visteon Global Engineering

FAX NUMBER: 734 416 6903 **VOICE NUMBER:** 734 416 2587

FROM: Phil Williams, Manager Major Account Services

FAX NUMBER: (704) 364-8320 **VOICE NUMBER:** (704) 731 4296

MESSAGE: Paul, I realize we have worked from a "faxed copy" due to the limited availability of the Visteon person that needed to sign the contract. However, I'd like to pursue a contract with original signatures. In the interim period, I have attached a copy of the contract with Piedmont's authorized signature.

This document consists of 3 pages including this cover sheet.

**FIRST AMENDMENT TO GAS REDELIVERY AGREEMENT
DATED MAY 15, 2001 BY AND BETWEEN
PIEDMONT NATURAL GAS COMPANY, INC. AND VISTEON CORPORATION**

This First Amendment to Gas Redelivery Agreement ("Amendment") is made and entered into this 10th, day of June, 2004, by and between Piedmont Natural Gas Company, Inc. ("Piedmont") and Visteon Corporation ("Customer").

WITNESSETH

WHEREAS, Piedmont and Customer are parties to that certain Gas Redelivery Agreement dated May 15, 2001 ("Agreement"); and

WHEREAS, Piedmont and Customer desire to amend and modify the terms of that Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and in the Agreement, Piedmont and Customer hereby agree as follows:

1. Section 3.01 of the Agreement is amended to read as follows:

"Section 3.01 Subject to the terms and conditions herein, this Agreement shall become effective June 1, 2001 or the first day of the month following approval of this Agreement by the TRA and unless extended or terminated by provisions contained herein, shall continue in effect until April 1, 2008."

2. Section 3.02 of the Agreement is amended to read as follows:

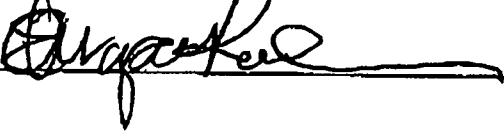
"Section 3.02 Unless on or before September 30, 2007, either party shall have provided written notice to the other party of its intent to terminate this Agreement, the parties agree to commence negotiations in good faith toward mutually agreeable terms and conditions for an extension of this Agreement."

3. All other provisions of the Agreement shall remain in effect without modification and shall be fully enforceable in accordance with their terms, for the extended Term of Agreement provided for herein.

4. The term modification set forth in paragraph 1 hereof shall be contingent upon Piedmont and Customer receiving all necessary regulatory or other approvals from the Tennessee Regulatory Authority, or other authority having jurisdiction, upon terms satisfactory to Piedmont and Customer.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their duly authorized representatives on the date(s) written below.

VISTEON CORPORATION

By: 

Date: 06/10/04

PIEDMONT NATURAL GAS COMPANY, INC.

By:  *mm*

Date: 6/14/04



Phil Williams
06/28/2004 11 50 AM

To pstack@visteon.com
cc

Subject TRA data request

Question 9 of the TRA data request is one of the questions for Visteon (as I do not monitor or have historical access to the customers and marketer relationships) It occurred to me that you may not know the name(s) of the affiliate marketers of Piedmont / Nashville Gas

Currently, Southstar Energy is a marketer active in the Nashville area. In the Carolinas, they do business as Piedmont Energy Piedmont Natural Gas has partial ownership of this marketer

Several years ago, Piedmont had partial ownership in a marketer called Resource Energy Services

To my knowledge, these are the only names you should be cognizant of to answer the question

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas

Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 8: Provide an analysis of the gas sales/transportation volumes and associated revenues on gas deliveries to Visteon by meter and by month for the last five years.

Response:

Month / Year	Dekatherms	Meter	Sales / Transportation	Revenue
Jun-99	231,280	TEC0611	Transportation	\$55,194
Jul-99	214,833	TEC0611	Transportation	\$51,311
Aug-99	237,440	TEC0611	Transportation	\$56,611
Sep-99	231,244	TEC0611	Transportation	\$55,186
Oct-99	250,236	TEC0611	Transportation	\$59,554
Nov-99	248,952	TEC0611	Transportation	\$59,258
Dec-99	265,495	TEC0611	Transportation	\$63,063
Jan-00	275,397	TEC0611	Transportation	\$65,341
Feb-00	254,142	TEC0611	Transportation	\$60,452
Mar-00	260,599	TEC0611	Transportation	\$61,937
Apr-00	247,345	TEC0611	Transportation	\$58,889
May-00	243,457	TEC0611	Transportation	\$57,995
Jun-00	221,098	TEC0611	Transportation	\$52,852
Jul-00	208,809	TEC0611	Transportation	\$49,926
Aug-00	236,153	TEC0611	Transportation	\$56,315
Sep-00	232,294	TEC0611	Transportation	\$55,427
Oct-00	247,281	TEC0611	Transportation	\$58,874
Nov-00	246,537	TEC0611	Transportation	\$58,703
Dec-00	250,870	TEC0611	Transportation	\$59,700
Jan-01	266,836	TEC0611	Transportation	\$63,372
Feb-01	228,057	TEC0611	Transportation	\$54,453
Mar-01	243,000	TEC0611	Transportation	\$57,890
Apr-01	223,322	TEC0611	Transportation	\$53,364
May-01	232,910	TEC0611	Transportation	\$55,569
Jun-01	220,471	TEC0611	Transportation	\$52,541
Jul-01	212,959	TEC0611	Transportation	\$50,814
Aug-01	222,602	TEC0611	Transportation	\$53,031
Sep-01	177,029	TEC0611	Transportation	\$44,000
Oct-01	137,088	TEC0611	Transportation	\$44,000
Nov-01	139,928	TEC0611	Transportation	\$44,000
Dec-01	145,451	TEC0611	Transportation	\$44,000

Month / Year	Dekatherms	Meter	Sales / Transportation	Revenue
Jan-02	157,456	TEC0611	Transportation	\$44,000
Feb-02	141,868	TEC0611	Transportation	\$44,000
Mar-02	149,401	TEC0611	Transportation	\$44,000
Apr-02	131,140	TEC0611	Transportation	\$44,000
May-02	128,651	TEC0611	Transportation	\$44,000
Jun-02	119,935	TEC0611	Transportation	\$44,000
Jul-02	107,750	TEC0611	Transportation	\$44,000
Aug-02	118,998	TEC0611	Transportation	\$44,000
Sep-02	119,538	TEC0611	Transportation	\$44,000
Oct-02	131,322	TEC0611	Transportation	\$44,000
Nov-02	142,053	TEC0611	Transportation	\$44,000
Dec-02	123,077	TEC0611	Transportation	\$44,000
Jan-03	173,986	TEC0611	Transportation	\$44,000
Feb-03	148,352	TEC0611	Transportation	\$44,000
Mar-03	149,439	TEC0611	Transportation	\$44,000
Apr-03	131,577	TEC0611	Transportation	\$44,000
May-03	139,535	TEC0611	Transportation	\$44,000
Jun-03	132,201	TEC0611	Transportation	\$44,000
Jul-03	116,610	TEC0611	Transportation	\$44,000
Aug-03	125,777	TEC0611	Transportation	\$44,000
Sep-03	124,210	TEC0611	Transportation	\$44,000
Oct-03	139,244	TEC0611	Transportation	\$44,000
Nov-03	139,742	TEC0611	Transportation	\$44,000
Dec-03	151,337	TEC0611	Transportation	\$44,000
Jan-04	156,028	TEC0611	Transportation	\$44,000
Feb-04	137,199	TEC0611	Transportation	\$44,000
Mar-04	134,038	TEC0611	Transportation	\$44,000
Apr-04	125,240	TEC0611	Transportation	\$44,000
May-04	121,569	TEC0611	Transportation	\$44,000

Note Revenue is rounded to the nearest whole dollar

Nashville Gas Company

Docket No. 04-00174

Petition of Nashville Gas Company for approval of extension of negotiated Gas Redelivery Agreement with Visteon Corporation

TRA Staff Data Request No. 1

Question 9: What supplier or marketer is currently supplying the gas requirements for the Visteon plant in Nashville? Is this gas supplier a Piedmont Natural Gas or Nashville Gas Company affiliate? Has an affiliate of Piedmont Natural Gas or Nashville Gas Company served the Visteon Plant in Nashville in the past or contracted to serve their requirements in the future? If yes, is the discounted interstate pipeline capacity purchased through a third party or part of regulated assets managed by the affiliates?

Response:

The current supplier or marketer for the Nashville Visteon plant is.

Noble Energy Marketing
100 Glenborough, Suite 100
Houston, TX 77067
317.884 4220

Noble Energy Marketing is not a Piedmont Natural Gas or Nashville Gas Company affiliate.

No affiliate of Piedmont Natural Gas or Nashville Gas Company has served the Visteon plant in Nashville in the past or contracted to serve their requirements in the future